

## **RESOLUTION 2004-27**

### **A RESOLUTION CONCERNING FINANCING BY CAESARS ENTERTAINMENT, INC.**

The Indiana Gaming Commission ("Commission") adopts the following Resolution pursuant to authority granted to it under I.C. 4-33 and pursuant to 68 IAC 1-2-6.

The following factors have been considered by the Commission:

1. Pursuant to I.C. § 4-33-4-21, the Commission must review proposed debt transactions to ensure that the Riverboat Owner's License is not leased, hypothecated, or money is not borrowed or loaned against the Riverboat Owner's License.
2. Caesars Entertainment, Inc., formerly known as Park Place Entertainment Corporation owns 82% of RDI/Caesars Riverboat Casino, L.L.C., the entity that holds the riverboat owner's license to operate a riverboat gaming facility located in Elizabeth, Indiana. (collectively referred to as "Caesars").
3. By letter dated March 18, 2004, Caesars requested a waiver by the Executive Director under 68 IAC 5-3-6 of the financing approval requirements set forth in 68 IAC 5-3 seeking approval to issue up to \$400.00 million of floating rate contingent convertible senior notes due 2034 pursuant to Rule 144A private placement and allowing Caesars to grant Deutsche Bank Securities, Inc., an option to purchase an additional \$80.00 million aggregate principal amount of the additional notes.
4. The Executive Director granted the request for waiver on March 24, 2004, after communicating with and receiving approval from Commission Chair Donald R. Vowels and Commission Member Dale Gettelfinger.
5. At this time Caesars requests Commission approval to issue up to \$400.00 million of floating rate contingent convertible senior notes due 2024 pursuant to Rule 144A private placement and allowing Caesars to grant Deutsche Bank Securities, Inc., an option to purchase an additional \$80.00 million aggregate principal amount of the additional notes.
6. Caesars also requests a waiver of 68 IAC 5-3-2(b)(3), the two meeting rule.

**NOW, THEREFORE, BE IT RESOLVED BY THE INDIANA GAMING COMMISSION, THAT THE FOLLOWING RESOLUTION IS ADOPTED:**

**SECTION 1. SCOPE.**

This Resolution applies to Caesars Entertainment, Inc., formerly known as Park Place Entertainment Corporation, and RDI Caesars, L.L.C.

**SECTION 2. DEFINITIONS.**

The definitions set forth in I.C. § 4-33-2 and 68 IAC apply to this Resolution.

**SECTION 3. ACTION ON REQUEST FOR APPROVAL TO ISSUE UP TO \$400.00 MILLION OF FLOATING RATE CONTINGENT CONVERTIBLE SENIOR NOTES DUE 2034 PURSUANT TO RULE 144A PRIVATE PLACEMENT AND ALLOWING CAESARS TO GRANT DEUTSCHE BANK SECURITIES, INC., AN OPTION TO PURCHASE AN ADDITIONAL \$80.00 MILLION AGGREGATE PRINCIPAL AMOUNT OF THE ADDITIONAL NOTES.**

The request for a waiver of 68 IAC 5-3-2(b)(3), the two meeting rule is hereby:

**APPROVED**

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APPROVED OR DISAPPROVED

and the request for approval to issue up to \$400.00 million of floating rate contingent convertible senior notes due 2034 pursuant to Rule 144A private placement and allowing Caesars to grant Deutsche Bank Securities, Inc., an option to purchase an additional \$80.00 million aggregate principal amount of the additional notes is hereby:

**APPROVED**

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APPROVED OR DISAPPROVED

subject to a review and approval of the final draft and associated documents by the Commission staff.

Adoption of this resolution and the approval of the debt transaction does not in any way constitute a waiver of the Commission's authority and ability to approve or

disapprove any future changes in the ownership of the Riverboat Owner's License or assets incident thereto which may occur in the event of a default.

**SECTION 4. EFFECTIVE DATE.**

This resolution is effective immediately.

**ADOPTED THIS THE 30<sup>th</sup> DAY OF APRIL, 2004:**

**THE INDIANA GAMING COMMISSION:**

*Donald R. Vowels* (FACSIMILE)  
**Donald Vowels, Chair**

**ATTEST:**

*Thomas Milcarek* (FACSIMILE)  
**Thomas Milcarek, Secretary**